



LUTHER SPEIGHT & COMPANY, LLC

Certified Public Accountants and Consultants

**Financial Statements
and
Applied Agreed-Upon Procedures
of
LAKE FOREST ESTATES IMPROVEMENT DISTRICT
For the Year Ended December 31, 2002**

LAKE FOREST ESTATES IMPROVEMENT DISTRICT
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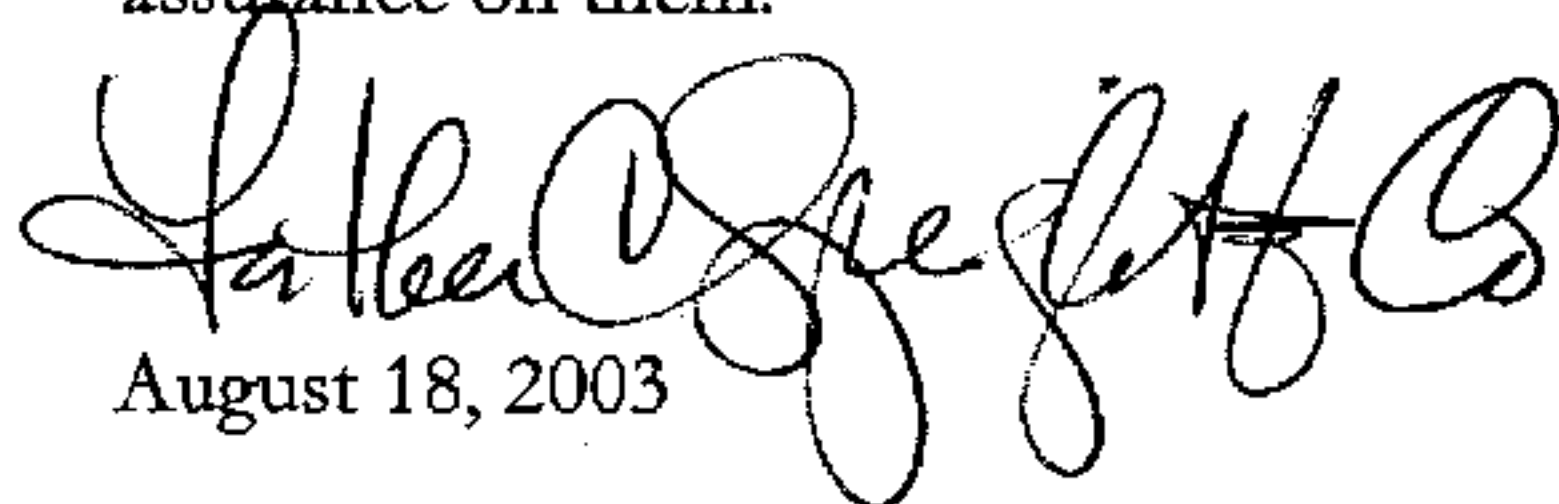
LUTHER SPEIGHT & COMPANY, LLC

Certified Public Accountants and Consultants

To the Board of Directors
Lake Forest Improvement District
New Orleans, LA

We have compiled the accompanying statement of financial position of the Lake Forest Estates Improvement District as of December 31, 2002 and the related statements of activities and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.


August 18, 2003

THE LAKE FOREST ESTATES IMPROVEMENT DISTRICT
Statement of Financial Position
As of December 31, 2002

CURRENT ASSETS

Cash	\$ 14,567
Due From Board of Liquidation	<u>54,927</u>

TOTAL ASSETS	<u>\$ 69,494</u>
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NET ASSETS

Net Assets	<u>\$ 69,494</u>
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TOTAL NET ASSETS	<u>\$ 69,494</u>
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. See accompanying accountant's compilation report.

LAKE FOREST ESTATES IMPROVEMENT ASSOCIATION

Statement of Activities

For the Year Ended December 31, 2002

REVENUE

Taxing District Collections	\$ 60,744
Interest Income	934

TOTAL REVENUE	\$ 61,678
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EXPENSES

Security	\$ 48,401
Maintenance of Signage and Common Areas	1,249
Professional Services	1,750
Postage and Printing	200
Christmas Social	4,001
Advertising	78
Utilities	838

TOTAL EXPENSES	\$ 56,517
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CHANGE IN NET ASSETS	\$ 5,161
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NET ASSETS - JANUARY 1, 2002	64,333
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NET ASSETS - DECEMBER 31, 2002	\$ 69,494
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See accompanying accountant's compilation report.

LAKE FOREST ESTATES IMPROVEMENT DISTRICT
Statement of Cash Flows
December 31, 2002

CASH FLOWS FROM OPERATING ACTIVITIES:

Net Assets	\$ 5,161
Adjustments to reconcile net assets to net cash	
Increase in receivables	<u>(1,678)</u>
 NET CASH PROVIDED BY OPERATING ACTIVITIES	 \$ 3,483
 CASH AT BEGINNING OF YEAR - JANUARY 1, 2002	 <u>\$ 11,084</u>
 CASH AT END OF YEAR - DECEMBER 31, 2002	 <u><u>\$ 14,567</u></u>

See accompanying accountant's compilation report.



LUTHER SPEIGHT & COMPANY, LLC

Certified Public Accountants and Consultants

LAKE FOREST ESTATES IMPROVEMENT DISTRICT

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Management of the Lake Forest Estates
Improvement District

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the management of the Lake Forest Estates Improvement District and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about the Lake Forest Estates Improvement District's compliance with certain laws and regulations during the year ended December 31, 2002 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Select all expenditures made during the year for material and supplies exceeding \$15,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:221-2251 (the public bid law).

There were no expenditures for material and supplies that exceeded \$15,000, or public works exceeding \$100,000; hence the public bid law does not apply in this instance.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a listing of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

A listing of the immediate family members of each board member, nor information related to the outside interest of the board members and their immediate family was not made available by management.

3. Obtain from management a listing of all employees paid during the period under examination.

The Lake Forest Improvement District did not maintain individuals in its employ during the period under examination.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedures (3) were also included on the listing obtained from management in agreed-upon procedures (2) as immediate family members.

N/A - The Lake Forest Improvement District did not maintain individuals in its employ during the period under examination.

Budgeting

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the budget approved by the board. There were no amendments to the budget.

6. Trace the budget adoption and amendments to the minute book.

We traced the budget adoption to the board minutes from the meeting held on November 30, 2001. The minutes noted that the budget was approved by a vote of 9 yeas and 0 nays. No amendments were made to the budget during the year.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

We have compared the revenues and expenditures to the final budget. Actual revenues for the Lake Forest Improvement District exceeded the budgeted amount by 8%. Additionally, there were budget overages with some expenditure line items: The Annual Social expenditures exceeded the budget by 50%; Utilities (Lights and Water) exceeded its budget by 65%; and Professional Services exceeded the budgeted allotment by 15%. These overages were made affordable with underages in the other line items such as, Security, Postage and Printing, and Maintenance of Signage and Common Areas.

Accounting and Reporting

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined the supporting documentation related to six disbursements and determined that the payments were for the correct amounts to the correct vendors.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

The payments related to these six transactions have been properly posted to the correct fund and general ledger accounts.

- (c) determine whether payments received approval from proper authorities.

Each payment received the proper approval from the Treasurer of the Improvement District.

Meetings

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

Management was unable to furnish information in the board minutes regarding the advertisement of the board meeting; however, we did examine a copy of the disbursement paying for the advertisement in the local newspaper.

Debt

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

The bank deposits for the period under examination did not appear to be proceeds of bank loans, bonds, or like indebtedness.

Advances and Bonuses

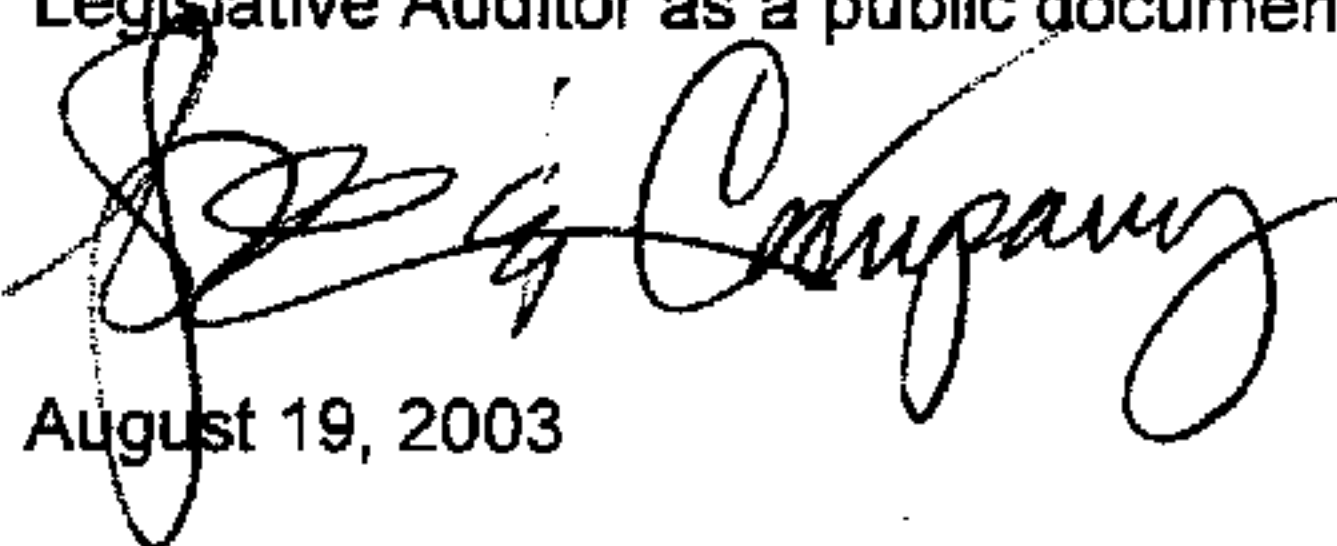
11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advance, or gifts.

The Lake Forest Improvement District did not maintain individuals in its employ during the period under examination.

Our prior year report, dated 2001, did not include any comments or unresolved matters.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of management of the Lake Forest Estates Improvement District and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



August 19, 2003

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Government)
July 27, 2003 (Date Transmitted)

Luther C. Speight & Company, L.L.C.
10001 Lake Forest Blvd., Suite #404
New Orleans, LA 70127 (Auditors)

In connection with your compilation of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulation and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of completion/representations).

Public Bid Law

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes ☒ No ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes ☒ No ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes ☒ No ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes ☒ No ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes ☒ No ☐

We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.
Yes ☒ No ☐

Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.
Yes ☒ No ☐

Debt


It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.
Yes ☒ No ☐

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.
Yes ☒ No ☐

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

	Secretary _____	Date _____
	Treasurer _____	Date _____
	President _____	Date _____

Note: If the engagement is for a routine compilation/attest that will be completed within six months of the entity's fiscal year-end and the CPA will submit either a Fax Approval Form or an Email engagement approval form to the legislative auditor, the space for the legislative auditor's approval may be omitted.

[This form is an unaudited informational document prepared by management of the agency.]

LEGISLATIVE AUDITOR
BATON ROUGE LA 70804

DATA COLLECTION FORM
FOR REPORTING ON STATE AND LOCAL GOVERNMENT AND QUASI-PUBLIC ENTITIES

OMB Form 0348-0057 may be used as a substitute for this form.
Date Submitted 08/20/03

RETURN to: Legislative Auditor
Attn: Engagement Processing
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

1. Fiscal Year Ending Date For This Submission:
12/31/02

3. Audit Period Covered

☒ Annual ☐ Biennial
☐ Other to

2. Type of Report:

☐ Single Audit ☐ GAO Audit Standards Audit
☐ Compilation ☒ Compilation/Attestation
☐ Program Audit ☐ Other

4. AUDITEE INFORMATION

Auditee Name

Lake Forest Estates Improvement District

Street Address (Number and Street)

5950 Winchester Park Drive

Mailing Address (PO No.)

City State Zip
New Orleans LA 70128

Auditee Contact

Name

Dr. John Barnett

Title

Treasurer

Telephone

504-246-2958

Email (Optional)

Fax

5. AUDITOR INFORMATION

Firm Name

Luther C. Speight & Company

Street Address (Number and Street)

10001 Lake Forest Blvd., Suite #404

Mailing Address (PO No.)

City State Zip
New Orleans LA 70127

Auditor Contact

Name

Charell Speight

Title

Director

Telephone

504-244-8400

Email (Optional)

Fax

504-244-8240

Component Units Included Within the Report and for Which No Separate Report Will Be Issued:

If there are no modifications to the auditor's financial opinion, no reported deficiencies in internal control, no reported instances of noncompliance, and no management letter, check this box and do not complete the rest of the form. ☒

6. FINANCIAL STATEMENTS

- a. Type of audit report on financial statements. ☐ Not Applicable
☐ Unqualified Opinion ☐ Qualified Opinion ☐ Adverse Opinion ☐ Disclaimer of Opinion
b. Is a 'going concern' explanatory paragraph included in the audit report? ☐ Yes ☐ No
c. Do any of the funds have deficit balances? ☐ Yes ☐ No

7. INTERNAL CONTROL

Do the comments on internal control include: ☐ material weaknesses ☐ other conditions

8. COMPLIANCE

Do the comments on compliance include: ☐ criminal acts/fraud & abuse ☐ other noncompliance ☐ not applicable

9. CURRENT YEAR MANAGEMENT LETTER (Finding Caption and No.)

Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable

10. SCHEDULE OF CURRENT YEAR FINDINGS/QUESTIONED COSTS (Finding Caption and No.)

\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable
\$ _____ Resolved ☐ Yes ☐ No ☐ No Longer Applicable

Do any findings address nepotism, ethics violations or related party transactions? ☐ Yes ☐ No

Do any findings address violation of bond indenture covenants? ☐ Yes ☐ No

11. SCHEDULE OF PRIOR YEAR FINDINGS/QUESTIONED COSTS/MANAGEMENT LETTER COMMENTS (Finding/Comment Caption and No.)

Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable
Resolved ☐ Yes ☐ No ☐ No Longer Applicable

AUDITEE SIGNATURE

CPA'S SIGNATURE

Date 8/24/03

Date 8/20/03

